

# SENATE BILL 19

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By: **Senator Frosh**

Introduced and read first time: October 29, 2007

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Motor Vehicle Excise Tax - Fuel Efficiency Surcharge**

3 FOR the purpose of repealing certain provisions of law providing for and relating to a  
4 fuel efficiency surcharge or credit on certain new or used motor vehicles under  
5 certain circumstances; imposing a certain fuel efficiency surcharge on certain  
6 new motor vehicles under certain circumstances; requiring the Administration  
7 to adopt certain regulations by a certain date; defining certain terms; providing  
8 for the effective dates of this Act; and generally relating to the imposition of a  
9 certain fuel efficiency surcharge on certain new motor vehicles under certain  
10 circumstances.

11 BY repealing

12 Article – Transportation  
13 Section 13–818  
14 Annotated Code of Maryland  
15 (2006 Replacement Volume and 2007 Supplement)

16 BY adding to

17 Article – Transportation  
18 Section 13–818  
19 Annotated Code of Maryland  
20 (2006 Replacement Volume and 2007 Supplement)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
22 MARYLAND, That Section(s) 13–818 of Article – Transportation of the Annotated  
23 Code of Maryland be repealed.

24 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland  
25 read as follows:

26 **Article – Transportation**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **13-818.**

2 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE  
3 MEANINGS INDICATED.

4 (2) "FUEL ECONOMY" HAS THE MEANING STATED IN § 4064 OF  
5 THE INTERNAL REVENUE CODE AS DETERMINED AND ADJUSTED BY THE U.S.  
6 ENVIRONMENTAL PROTECTION AGENCY TO ACCOUNT FOR THE DIFFERENCE  
7 BETWEEN CONTROLLED LABORATORY CONDITIONS AND ACTUAL ROAD  
8 DRIVING.

9 (3) "MODEL TYPE" AND "MODEL YEAR" HAVE THE MEANING  
10 STATED IN § 4064 OF THE INTERNAL REVENUE CODE.

11 (4) "PASSENGER VEHICLE" MEANS A MOTOR VEHICLE THAT MAY  
12 BE REGISTERED:

13 (I) UNDER § 13-912 OF THIS TITLE AS A CLASS A  
14 (PASSENGER) VEHICLE;

15 (II) UNDER § 13-917 OF THIS TITLE AS A CLASS E (TRUCK)  
16 VEHICLE; OR

17 (III) UNDER § 13-937 OF THIS TITLE AS A CLASS M  
18 (MULTIPURPOSE) VEHICLE.

19 (B) IN ADDITION TO THE TAX IMPOSED UNDER § 13-809 OF THIS  
20 SUBTITLE, A FUEL EFFICIENCY SURCHARGE EQUAL TO 1% OF THE TOTAL  
21 PURCHASE PRICE AS DEFINED IN § 13-809 OF THIS SUBTITLE SHALL BE  
22 IMPOSED ON EACH NEW PASSENGER VEHICLE THAT IS SUBJECT TO THE TAX  
23 IMPOSED UNDER § 13-809 OF THIS SUBTITLE IF THE FUEL ECONOMY RATING OF  
24 THE MODEL TYPE OF THE PASSENGER VEHICLE FALLS WITHIN THE BOTTOM  
25 QUARTILE OF FUEL ECONOMY FOR ALL PASSENGER VEHICLES FOR THAT MODEL  
26 YEAR.

27 (C) THE ADMINISTRATION SHALL ADOPT REGULATIONS TO IMPLEMENT  
28 THE FUEL EFFICIENCY SURCHARGE UNDER THIS SECTION.

29 SECTION 3. AND BE IT FURTHER ENACTED, That, on or before January 1,  
30 2008, the Motor Vehicle Administration shall adopt regulations to implement the fuel  
31 efficiency surcharge under § 13-818 of the Transportation Article as enacted by  
32 Section 2 of this Act.

1           SECTION 4. AND BE IT FURTHER ENACTED, That Sections 1 and 2 of this  
2 Act shall take effect January 1, 2008.

3           SECTION 5. AND BE IT FURTHER ENACTED, That, except as provided in  
4 Section 4 of this Act, this Act shall take effect December 1, 2007.